GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:368
ANSWERED ON:17.08.2001
DUTY LIABILITY ON FINISHED GOODS
M. JAGANNATH;SHIVAJI MANE

Will the Minister of FINANCE be pleased to state:

(a) whether many companies are violating the existing provisions of Central Excise Act, 1944;

(b) if so, whether the Central Excise Board has issued noticesto companies such as Maruti Udyog Limited regarding dutyliability on finished goods;

(c) if so, the details thereof, company-wise; and

(d) the steps taken by Government to realise the duty on finished goods?

Answer

MINISTER OF FINANCE (YASHWANT SINHA)

(a) to (d): A statement is laid on the Table of the House.

Statement referred to in reply to part (a), (b), (c) and (d) of the Starred Question No. 368 to be answered on 17-08-2001

(a): Yes, Sir.

(b) & (c) When cases of evasion of duty are detected, show cause notices are issued in appropriate cases after investigation demanding allegedly evaded duty, imposition of penalty etc. by competent authority under the Central Excise law. The details of major cases against companies such as Maruti Udyog Limited [involving alleged evasion of excise dutymore than Rs. ten crores] for the year 2001-2002 (upto 30th June, 2001) are in the Annexure.

(d): Where investigation revealed that the correct duty liabilities were allegedly not discharged by the companies, necessary steps, as per the Central Excise law, have been taken by the Government for realisation of duty on finished goods such as issue of show-cause notices, adjudication and initiating recovery proceedings.